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xr Pet 3 OPEC

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Tripoli 1695

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ACTION EB-11

INFO OCT-01 AF-10 EUR-20 NEA-10 T-03 OEP-01 COM-08 COME-00
PM-08 AID-20 NSC-10 RSC-01 CIEP-02 SAL-01 SS-14
STR-08 OMB-01 CEA-02 P-03 PRS-01 USIA-12 CIAE-00
FRB-02 INR-09 NSAE-00 TRSE-00 XMB-07 OPIC-12 LAB-06
SIL-01 INT-08 RSR-01 /193 W

R 301251Z OCT 72
FM AMEMBASSY TRIPOLI
TO SECSTATE WASHDC 9338
INFO AMEMBASSY BEIRUT
AMEMBASSY JIDDA
AMEMBASSY KUWAIT
AMEMBASSY LONDON
AMEMBASSY PARIS

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REVIEWED BY cj 3/4/82

PA OR FOI EXEMPTIONS

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C O N F I D E N T I A L TRIPOLI 1695

SUBJ: LIBYAN VIEWS ON GULF PARTICIPATION AGREEMENT

REF: TRIPOLI 1676 Pet 6 Libya xr Pet 5-2 Libya xr Pet 3 OPEC

1. LARG PETROLEUM MINISTER MABRUK AND ACCOMPANYING DELEGATION RETURNED TRIPOLI OCT 29 FROM RIYAHD AFTER ATTENDING OPEC COUNCIL OF MINISTERS MEETING.

2. IN STATEMENT TO LIBYAN NEWS AGENCY, MABRUK DESCRIBED GULF AGREEMENT AS "POSITIVE STEP FORWARD." AGREEMENT ALSO CHARACTERIZED AS REPRESENTING IMPROVEMENT IN EXISTING RELATIONS BETWEEN OIL COMPANIES AND PRODUCING STATES.

3. SIGNIFICANTLY, MABRUK NOTED THAT AGREEMENT REACHED BY GULF STATES "FALLS SHORT OF MEETING THE DEMANDS OF AND IS NOT BINDING UPON THE LAR." HE ADDED THAT LAR HAS ALREADY ACHIEVED PARTICIPATION WITH ENI AND DETERMINED

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TO APPLY PRINCIPLE OF EFFECTIVE PARTICIPATION TO ALL OIL COMPANIES OPERATING IN LIBYA.

4. (WE UNDERSTAND FROM INDUSTRY SOURCES HERE THAT DUE TO MABRUK'S ABSENCE WORD PASSED TO BUNKER HUNT REP RIED, WHO NOW IN LONDON, THAT HE NEED NOT RETURN FOR OCT 26 DISCUSSION OF COMPANY'S FUTURE (PARA 5 REFTEL) BUT SHOULD EXPECT CALL SOMETIME WITHIN A WEEK.

5. COMMENT: MABRUK'S STATEMENT ON GULF SETTLEMENT INCORPORATES TWO ELEMENTS WE HAD EXPECTED, I.E. EXPRESSION OF SOLIDARITY WITH OPEC BUT INSISTENCE THAT LAR MUST HAVE MORE THAN OTHER PRODUCERS. GDS. PALMER

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